



The President's Daily Brief

~~Top Secret~~ 23 January 1967



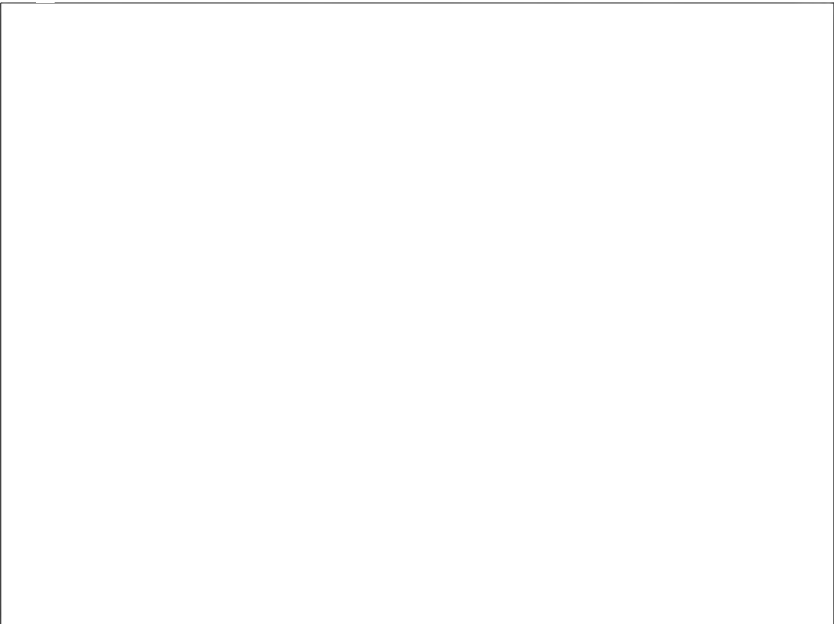
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DAILY BRIEF
23 JANUARY 1967

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1. Communist China

Mao's forces appear to be trying to smooth over divisions in the military.



2. United Kingdom

Prime Minister Wilson's speech today to the Council of Europe left no doubt that he means business about Britain joining the Common Market. It was in effect a direct appeal to the Five to support Britain's entry in the face of French objections.

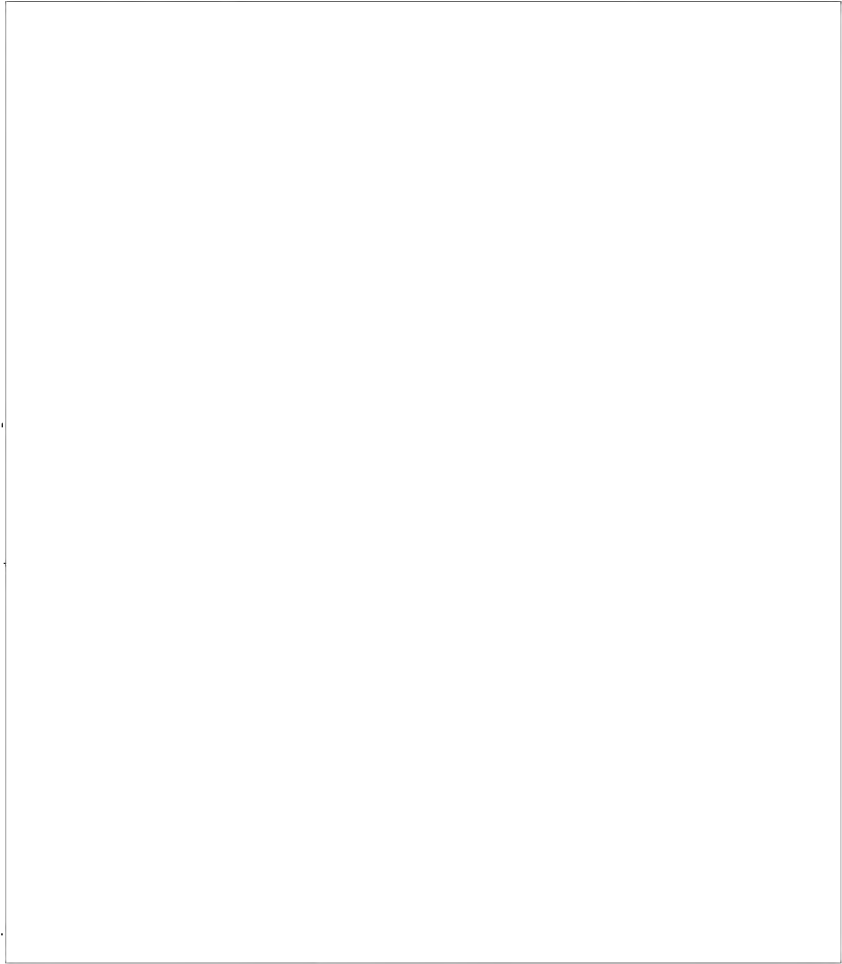
Much of what he said, especially his concept of an Atlantic partnership, will not set well with De Gaulle. Nor will his characterizing anyone opposed to Britain's entry as an "architect of decay."

This stance will impress the Five, however, who have been looking for some strong statement of Wilson's commitment to Europe. His remarks may also give some ammunition to De Gaulle's domestic critics.

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3. Saudi Arabia



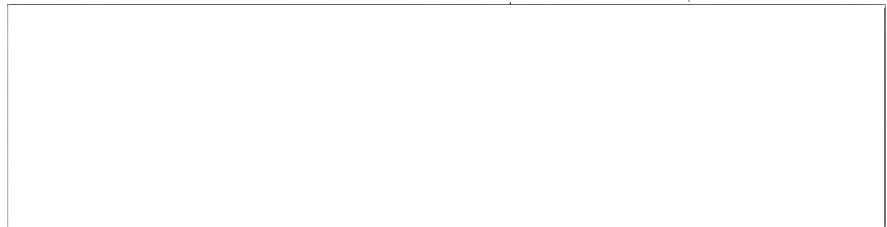
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4. Philippines



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5. Syria



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6. Soviet Union



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7. Argentina

Senior army generals, who feel they are entitled to participate in policy making, are gathering in small groups and muttering about President Ongania's performance.

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Ongania is aware of their dissatisfaction, but fears lowering the boom on them now--he is trying to attract international financial credit and foreign investment--might create a bad image of instability.

8. Nicaragua

The situation in Managua seems to be simmering down.

The US Military Advisory Group effected a peaceful settlement between the government and the rebel opposition group holed up in the Gran Hotel. The rebels--including opposition presidential candidate Aguero--will apparently be allowed to go their way for the present. The Americans held as hostages by the rebels have not been harmed.

The National Guard should now be able to keep the lid on. We cannot yet tell what effect this will have on the 5 February elections--which Aguero did not have a chance of winning.

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9. South Vietnam

More than 165,000 pages of enemy documents have been captured in Operation CEDAR FALLS just north of Saigon. Some of these documents paint a picture of sagging guerrilla morale.

"If desertion were feasible," reads one Viet Cong soldier's diary, "it is very likely there would be no soldiers left in the unit--but desertion is impossible."

Other pages lament the erosion of Communist control in areas near Saigon. One document said over a million people have been "lost" because of the presence of US troops. There also are references to friction between North and South Vietnamese.

Despite the bleak outlook reflected in these documents, there are no signs that the morale situation is yet affecting the discipline of Viet Cong combat units.

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